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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/661,168	09/13/2000	Inna Vogel	003801.P015	7495

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[REDACTED] EXAMINER

PATEL, JAGDISH

ART UNIT	PAPER NUMBER
3624	

DATE MAILED: 05/20/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/661,168

Applicant(s)

VOGEL ET AL.

Examiner

JAGDISH N.PATEL

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*-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --***Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) Responsive to communication(s) filed on 13 September 2000.
- 2a) This action is FINAL.                    2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) Claim(s) 1-54 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-54 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) The proposed drawing correction filed on \_\_\_\_\_ is: a) approved b) disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some \* c) None of:
1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a)  The translation of the foreign language provisional application has been received.
- 15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449) Paper No(s) 45.
- 4) Interview Summary (PTO-413) Paper No(s) \_\_\_\_\_.
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: \_\_\_\_\_

**DETAILED ACTION*****Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-54 are rejected because the claimed invention(s) is directed to non-statutory subject matter.

***2.1 Claimed Invention(s) does not fall within the Technological Art.***

The invention(s) as recited in claims 1-21 is merely an abstract idea that is not within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter.

In absence of any technological environment the claims are directed to nothing more than a human making mental computations and manually arriving at the desired result.

***2.2 Claimed inventions lack practical application of a mathematical algorithm.***

A Claimed invention meets the requirements of 35 U.S.C. § 101 if they recite a practical application of an abstract idea or, in other words, if they produce "a useful, concrete and

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tangible result " State Street, 149 F.3d at 1373, 47 USPQ2d at 1601-02.

3. Claims 1-54 recites mathematical steps, "receiving data concerning multiple items..", "removing irregular data.." etc.

The claimed invention however fails to produce "useful, concrete, and tangible result" and therefore lacks a practical application. For example, the claimed invention fails to recite what amounts a "tangible, concrete and useful" result of the claim as a whole.

The purpose of this requirement is to limit patent protection to inventions that possess a certain level of "real world" value, as opposed to subject matter that represents nothing more than an idea or concept, or is simply a starting point for future investigation or research (*Brenner v. Manson*, 383 U.S. 519, 528-36, 148 USPQ 689, 693-96); *In re Ziegler*, 992, F.2d 1197, 1200-03, 26 USPQ2d 1600, 1603-06 (Fed. Cir. 1993)).

4. The claimed method of filtering out an item data (and corresponding other embodiments of the method presented as computer readable storage medium and system) is not limited to a practical application because the claim merely recites mathematical steps of removing irregular data that does not meet certain pricing criteria. The claimed as a whole fails to

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produce any "concrete, tangible and useful" result and therefore, when viewed as a whole the claimed invention simply represents an abstract idea, that of manipulating data to filter out "irregular data" without limiting the invention to a practical application.

Apparatus claims are analyzed as per corresponding method claims.

Note that, the analysis presented herein also applies to all dependent claims and all system/apparatus claims, which recite underlying method steps as per respective method claims.

***Claim Rejections - 35 USC § 112***

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 1-54 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

7. Claims 1-21 preamble recites "a method of filtering out item data in a report in network-based auction facilities" programmed computer for offering..." . None of the method steps

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recite any limitation that relate the data to a report in network-based auction facilities".

8. This deficiency also exists in all system/apparatus claims.

9. (Exemplary analysis) Claim 1: there is no relationship recited between the data concerning multiple items and the limitation "irregular data concerning an irregular item" because the claim fails to recite any limitation which identify steps which define the limitation "irregular data". Therefore, the two limitations (receiving and removing) of the claim remain unrelated rendering the claim indefinite and unclear.

Dependent claims inherit weakness of parent claim 1.

10. claim 3 recites "using only items having an irregular item flag" is unclear because it does not further limit the "removing irregular data" step.

11. Claims 5, 6 : It is not clear how the irregular item having a bid further limits the scope of the claimed invention. These claims fail to further limit any limitation of the parent claim 1. The functionality or the scope of the method claim 1 (parent claim) is not affected by what the characteristics of the irregular item.

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12. Claim 7: fails to provide proper antecedent basis for the limitation "the data". Is it the received data or the irregular data?

13. Claims 8-10: limitations "generating a finance report based on the representation of data" etc. has no relationship to "receiving data" and "removing irregular data..from a representation of data".

14. Claims 11-12: limitations have no relationship to "removing irregular data..from a representation of data".

15. Similar deficiencies also exist in claims 13-14. Appropriate correction(s) are required.

***Claim Rejections - 35 USC § 102***

16. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

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17. Claims 1-10, 15-16 are rejected under 35 U.S.C. 102(e) as being clearly anticipated by Anderson et al. (US Pat. 6,360,211) (hereafter Anderson).

Claim 1. Anderson discloses a method of filtering out item data in a report comprising:

receiving data concerning multiple items having a price-based value associated with at least one item (refer to col. 3 L 32-45, EDI invoices received ..) ; and

removing irregular data concerning an irregular item having a price-based value greater than a predetermined price-based value from a representation of the data (refer to col. 4 section B. Invoice Analysis, here the data are removed (marked) based upon analysis criteria, in particular under category of reasonability check dollar amounts exceeding a predefined price-based value are removed and identified as "red" as shown in Table 3)

Claim 2. The method of claim 1 wherein removing the irregular data concerning the irregular item having a price-based value greater than the predetermined price-based value comprises setting an irregular item flag for the irregular item having a price-based value greater than the predetermined price-based value (red flag); and using only items having an irregular item flag that is not set for data computations and reports (refer to Table Reports generated by invoice analyzer 32).

Claim 3. wherein the irregular item flag of each item having an irregular item flag set may be unset if the item is found to be legitimate (this limitation is inherently disclosed by Anderson because the irregular item flag is generated from an intermediary database 66. If the invoice was found to have a defective data entry, an appropriate correction would remove the

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red flag refer to invoice reviewer 98 function described at col. 8 L 23-45).

Claim 4. wherein removing the irregular data concerning the irregular item having a price-based value greater than the predetermined price-based value comprises deleting the irregular data from data computations and reports (refer to claims 1 and 3 analysis).

Claims 5-7, 15-16: in view of the deficiency outlined under 35 USC 112(second), these claims are covered under claim 1 as "irregular item". (No Patentable weight accorded to "irregular item" as the claim fails to define it).

Claims 8-10: generating a finance/category summary/ daily statistics report (refer to Tables 5-7).

18. Note that Claim analysis of 35 USC 101, 112 and 102 for claims 22-24, 28, 49 and 51 is applicable to method claim 1 and Claims [25, 29, 52], [26, 30, 53], and 31-48 correspond to method claims 2-21 respectively and are according analyzed.

#### **Contact Information**

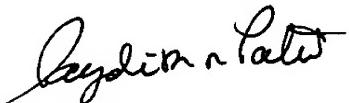
19. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jagdish Patel whose telephone number is (703) 308-7837. The examiner can normally be reached Monday-Thursday from 8:00 AM to 6:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1038. The fax number for Formal or Official faxes to Technology Center 3600 is (703) 305-7687. **Draft faxes may be submitted directly to the examiner at (703) 746-5563.**

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Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113 or 308-1114. Address for hand delivery is 2451 Crystal Drive, Crystal Park 5, 7<sup>th</sup> Floor, Alexandria VA 22202.



Jagdish N. Patel

(Examiner, AU 3624)

5/14/03